

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1007 be amended to read as follows:

1 Page 86, line 23, strike "rate of three and four-tenths percent
2 (3.4%)" and insert "**percentage rate determined under subsection**
3 **(c)**".

4 Page 86, between lines 31 and 32, begin a new paragraph and insert:
5 "**(c) The tax rate to be used under subsection (a) is the same rate**
6 **used for the preceding taxable year unless net adjusted gross**
7 **income tax revenue collected from resident and nonresident**
8 **persons by the state has increased, as determined under subsection**
9 **(e). If the two (2) year average percentage increase in net adjusted**
10 **gross income tax revenue on resident and nonresident persons is at**
11 **least four and one-tenth percent (4.1%), the tax rate is the**
12 **preceding taxable year's rate minus one-tenth percent (0.1%).**

13 **(d) However, the rate used under subsection (a) for taxable**
14 **years beginning before January 1, 2013, is three and four-tenths**
15 **percent (3.4%), and the rate to be used for taxable years beginning**
16 **after December 31, 2012, may not be less than two and nine-tenths**
17 **percent (2.9%).**

18 **(e) Before September 1 of each even-numbered year, the budget**
19 **agency, using a two (2) year average, shall determine whether an**
20 **increase in net adjusted gross income tax revenue on resident and**
21 **nonresident persons has occurred. In making this determination,**
22 **the following shall be used:**

23 **(1) Returns of resident and nonresident persons processed**
24 **during the three (3) calendar years that immediately precede**
25 **the determination year.**

26 **(2) Net adjusted gross income tax revenue collected from**
27 **resident and nonresident persons under this article on these**
28 **returns.**

29 **(3) Overpayments refunded to resident and nonresident**
30 **persons during these calendar years shall be subtracted.**

1 **(4) The best information available to the budget agency at the**
2 **time the determination is made.**
3 **Beginning in 2012, the budget agency shall compute and determine**
4 **whether an increase in net adjusted gross income tax revenue on**
5 **resident and nonresident persons has occurred and, if so, the**
6 **amount of the two (2) year average percentage increase in net**
7 **adjusted gross income tax revenue on resident and nonresident**
8 **persons. The budget agency shall certify the results of the**
9 **computation to the department of state revenue."**
10 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1007 as printed April 15, 2011.)

Senator BUCK